



LETTER NO. L-46-08

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VIA E-MAIL

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September 30, 2008

Mr. Tom Loski
Chief Regulatory Officer
Terasen Gas Inc.
16705 Fraser Highway
Surrey, BC V3S 2X7

Dear Mr. Loski:

Re: Terasen Gas Inc. ("Terasen Gas")
2008 Price Risk Management Plan – (November 2008 – October 2011)

By letter dated September 29, 2008, Terasen Gas provided hedging trigger prices for incremental triggers and accelerated triggers for the period beginning the winter 2008 to the summer 2011 as outlined in Table 1. These triggers were developed based on the April 1, 2008 CCRA rate and are proposed to remain unchanged except for the first incremental trigger for summer 2011.

The Commission accepts Terasen Gas' proposal to maintain the existing CCRA hedging trigger prices (with the exception of a slight downward adjustment to the summer 2011 first incremental trigger) as presented in Table 1. This will ensure incremental or accelerated hedging is below the new CCRA rate and the objectives of the 2008 Price Risk Management Plan continue to be met.

The Commission will maintain this information as confidential.

Yours truly,

Original signed by

Erica Hamilton

RB/dg